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C O N F I D E N T I A L BAGHDAD 001379

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E.O. 12958: DECL: 04/23/2017  
TAGS: [PGOV](#) [PINS](#) [PINR](#) [IZ](#)  
SUBJECT: CHALABI AIDE DISCUSSES PROBLEMS WITH MINISTRY OF  
TRADE

REF: A. BAGHDAD 1154  
[1](#)B. BAGHDAD 1000

Classified By: PRT Team Leader Joseph Gregoire for reasons 1.4 (B) and  
(D)

[1](#)1. (C) Summary: An aide to Ahmad Chalabi, chairman of popular mobilization for the Baghdad Security Plan (BSP), told PRToff April 5 that the Ministry of Trade is preventing distribution of food rations (known as the Public Distribution System, or PDS) to areas of west Baghdad for apparently sectarian reasons. The aide, Wameed Al-Mekhlibe, also said that Chalabi's staff met community leaders from the Al-Fadl neighborhood (in east Baghdad's Rusafa district) to arrange for the safe deployment of Iraqi Army units in the area. End summary.

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Ministry of Trade Uncooperative on Food Distribution  
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[1](#)2. (C) An aide to Ahmad Chalabi, chairman of popular mobilization for the BSP, told PRToff April 5 that the Ministry of Trade (MoT) is preventing distribution of food rations (known as the Public Distribution System, or PDS) to areas of west Baghdad for apparently sectarian reasons. The aide, Wameed Al-Mekhlibe, said Chalabi's staff has been arranging delivery of food rations to areas of west Baghdad where security conditions have prevented distribution (reftels), especially Ghazaliya. Al-Mekhlibe said when members of one of the popular committees arrived with Iraqi Army convoys at the Ministry of Trade distribution center in Dabash to pick up rations for delivery to Ghazaliya, the MoT staff refused to release the food rations. (Comment. The popular committees have no legal right or authority to distribute PDS items. End comment.) Al-Mekhlibe added that the Facilities Protection Service personnel guarding the warehouse are Jaysh Al-Mahdi elements and that an employee at the warehouse asked why the Iraqi Army would deliver food rations to "terrorists" (in reference to Sunnis in west Baghdad). Al-Mekhlibe said he believes the guards and the employees refuse to cooperate because they know the food rations were going to be delivered to a Sunni area.

[1](#)3. (C) Comment: Legally the guards and ministry staff were correct to refuse the release of food rations to anyone other than the designated food agent for the area. Chalabi recently asked the national government to put him in charge of the PDS in order to help him "build support for the BSP," but his request was not granted. The Ministry of Trade would most likely resist any attempts by Chalabi to gain control of the PDS, although post has not discussed this particular point with the Minister. The PDS system is inefficient and rife with corruption. The USG aims to reform the PDS to reduce food subsidies and to have the PDS eventually become part of a broad social safety net for the truly needy in Iraq. End comment.

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Safe Passage for Iraqi Army into Al-Fadl Neighborhood?  
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¶4. (C) Al-Mekhlibe also said that Chalabi's staff recently met community leaders (including a representative of the Iraqi Islamic Party) from the Al-Fadl neighborhood (in east Baghdad's Rusafa district) to arrange for the safe deployment of Iraqi Army units in the area. He said that until now the area has been too dangerous even for Iraqi Army units to enter and that sniper attacks and other violence has paralyzed normal life in the area. Al-Mekhlibe said the community leaders provided guarantees that the Iraqi Army could deploy in the area "safely."

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